

**Statement
Before the Natural Resources Committee
Of the Montana Senate
In Opposition to Senate Bill 214
February 8, 2013**

SENATE NATURAL RESOURCES
EXHIBIT NO. 2
DATE 2-8-13
BILL NO. SB 214

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Mr. Chairman and members of the Committee,

My name is Mark Lambrecht and I'm Executive Director of the Treasure State Resource Industry Association—formerly named WETA—the Western Environmental Trade Association. We represent nearly 100 Montana natural resource industries, union organizations, associations and service companies that advocate responsible natural resource development. Our members are involved in coal and hard rock mining, timber, wood products, agriculture, construction, electricity generation and transmission, oil and gas exploration and production, recreation and transportation.

Last session, the Montana Legislature placed some sideboards on the Montana Environmental Policy Act that make it more feasible for agencies and companies to conduct environmental analyses of proposed projects. These changes rightly limited the scope of analysis to include impacts within Montana's borders. Senate Bill 214 would undo those changes and create a scenario where any project requiring an environmental assessment or impact statement could be required to examine potential impacts well outside of its reasonable impact zone. We are concerned this bill could lead to an unworkable environmental review process that is prohibitively expensive. The end result would certainly be the prevention of large responsible natural resource development projects and potentially smaller profile projects such as road and bridge construction and even land exchanges.

But don't just take my word for it. Consider the opinion of Martin Carlson—Vice President at CDM Smith—one of the largest engineering firms in the world. CDM performs dozens of environmental assessments and impact statements for a variety of natural resource projects in Montana. Carlson reviewed this bill and sent me the following message yesterday:

"Based on my review, it appears that SB 214 expands the review of projects under the Montana Environmental Policy Act (MEPA) to include not only impacts in Montana but also potential impacts to the apparent "global" environment and biosphere. MEPA, along with other state and federal requirements, already provides for a lengthy and very thorough project review process for either EA's or EIS's in Montana. I believe the existing process is adequate to provide that projects are responsibly developed and approved. The proposed changes to MEPA would make it very difficult to develop new projects by adding substantial time and cost to an already robust process. If additional regulation related to issues such as the biosphere is warranted, that regulation is most likely best addressed at the Federal level."

If this bill were to become law, I'm concerned it would play right into the hands of a national environmental organization's attempts to stop coal mining and coal-fired electricity generation. You may have heard of the "Beyond Coal" campaign supported by the Sierra Club. This campaign has organized opposition to development of coalmines and West Coast ports that would enable Powder River Basin coal to reach overseas markets. If this bill were to become law, proposed new coalmines and railroads serving them in Montana would have to analyze potential impacts on landscapes and communities far beyond their reasonable zones of impact and beyond Montana's borders. Where would we draw the line? Would we require analysis of Montana coal's supposed impacts as it passed through Bozeman, Helena and Missoula? Would we require analysis of its impacts as it is used in other states—or even other countries—to generate electricity? If so, I would argue the opportunity to challenge projects that make sense for Montana would be limitless.

My concerns are shared not by just Montana industries, but also by several Montana union organizations, including the International Brotherhood of Electrical Workers Local 233 and the United Transportation Union. Mr. Tom Berrum of the Transportation Union sent me this message yesterday:

"As the United Transportation Union Montana State legislative director representing over 650 BNSF train operating crafts in Montana, we oppose SB 214. We believe that the Surface Transportation Board and its environmental rules including an Environmental Impact Statement, is the Agency that handles Interstate Commerce in the Rail industry. This Bill, if enacted would seem to duplicate what the STB and its EIS is already dealing with concerning Tongue River Railroad and its impact throughout the Northwest. It would seem to me that if this bill becomes law it will just cause one giant court battle. We are not opposed to responsible coal mine development and the rail transportation, family supporting jobs, and tax revenue that go with it."

I think it's important to have this discussion because we need to understand the purpose of MEPA. It simply directs the state to consider the potential impacts of a project so it can choose the proper course of action for Montana's environment. It is not meant to address potential regional, national or international impacts. That is the purpose of its federal counterpart—the National Environmental Policy Act. This bill, however, would direct state agencies to conduct environmental analyses for impacts—and perceived impacts far beyond Montana's border and far beyond our authority.

Please give this bill a do not pass recommendation.

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